

Early Intervention / Infant Learning Program (EI/ILP)

Department of Health and Social Services – Program 13

I. PROGRAM OBJECTIVES

The objectives of this program are: to enhance the development of eligible children under the age of three who experience a developmental delay, disability or are at risk for the development of a delay or disability, through the provision of comprehensive collaborative early intervention services; to enhance the capacity of families and caregivers to meet the special needs of their infants and toddlers; to serve all of the infants and toddlers who experience severe delay or disability in the assigned services areas.

II. PROGRAM PROCEDURES

Public funds are appropriated annually by the state legislature to the Department of Health and Social Services, Division of Public Health. These funds are a combination of state general funds, and federal Part C funds that are appropriated directly to the Department of Health and Social Services from the US Department of Education. These funds are awarded as grants to nonprofit corporations, school districts or regional education attendance areas. Local in-kind or cash match is optional in this program.

The services are to be provided on a priority basis. Children who experience a severe development delay or who have an identified condition that has a high probability of resulting in a severe delay have the highest priority. The next highest priority for core **Early Intervention / Infant Learning Program (EI/ILP)** Services is for children who experience a moderate delay, then those who experience a mild delay and last to those who are at risk.

Caseloads are to be adjusted in a gradual manner to serve children according to these priorities. However, there is to be no delay in providing services to children who are experiencing a severe delay and are Part C eligible. By age 3, the enrolled children should be referred to the local school district or other services at the parent's request. Services in **EI/ILP** may be continued at the discretion of the program director until the child is three years and six months of age to provide uninterrupted services over the summer.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Infant Learning **Program** general grant funds may be used for staff salaries, travel, supplies, equipment, facility and administrative cost of the program of support and teaching of parents who are the primary facilitator of their child's care and development. Specifically, funds are used to sustain the services as identified in the approved budget and special conditions are program services specifications. Part C federal funds must be reported and tracked separately and must be used to service Part C eligible children.

Suggested Audit Procedures

- Review contract or final Notification of Grant Award (NGA) including all conditions;
- Review grant/contract revisions and related transmittal;
- Review licenses, certifications, approvals, status of private nonprofit corporation if applicable; and
- Review budget documents including final revised budget and budget narrative.

Compliance Requirement

Costs allowed or unallowed under this program are determined by 7 AAC 23, 7 AAC 78 and 34CFR303 as well as contract or budget documents and special conditions. Additionally, no more than 25% shall be taken for administrative cost associated with the program. Charges to clients must meet the guidelines of 7 AAC 80.

Suggested Audit Procedures

- Review Infant Learning Program (ILP) regulations 7 AAC 23 and statute AS 47.20;
- Review Department of Health and Social Services fee for service regulations 7 AAC 80;
- Review Department of Health and Social Services grant regulations 7 AAC 78, and budget documents;
- Review US Department of Education **Part C regulations 34CFR303;**
- [Part C regulations 34CFR303;]
- Test financial and related records to determine the appropriateness of cost per 7 AAC 78, and 7 AAC 23;
- Determine whether expenditures are within the budget limits prescribed by 7 AAC 78.260(e)(1) and 7 AAC 23; and
- Review administrative costs to determine compliance.

Compliance Requirement

The Infant Learning Program must operate twelve months a year, or year round. Fees for service are allowable as are Medicaid and third party reimbursement, which are considered grant income. Additionally, client records are to be kept confidential.

Suggested Audit Procedures

- Determine if the program operates year round;
- Review system of client records to ensure compliance with confidentiality; and
- Review 7 AAC 80

B. ELIGIBILITY

The auditor is not expected to perform test for client eligibility. The agency must be a nonprofit or political subdivision meeting the requirements of 7 AAC 78.030.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There are no matching or level of effort requirements.

D. REPORTING REQUIREMENTS

Compliance Requirement

Agency audited financial statements must present a statement of revenue and expenditures for each state grant/contract. Such statements must show, for each state fiscal year grant, the final approved budget by line item category, actual revenues and expenditures and variance between budgeted and actual revenues and expenditures. Disallowed or questioned costs must be clearly disclosed.

Suggested Audit Procedure

- Review audited financial statements to ensure proper presentation.

Compliance Requirement

The agency must submit quarterly **data**, activity and expenditure reports [and statistics] no later than thirty days after the close of each quarter or as specified in the grant/contract.

Suggested Audit Procedures

- Confirm if such reports are being filed timely;
- That reported revenues and expenditures agree with the agency's general ledger;

- That expenditures are within the budget limits or contract provisions; and
- Review financial statements for compliance with above.

Compliance Requirement

The agency must clearly show on their audited financial statement any outstanding liability to the state as payable to the state. This includes unspent grant funds or disallowed cost. The Part C budget and expenditures must be accounted for in a separate column on the expenditure report.

Suggested Audit Procedures

- Determine whether or not the agency has any outstanding liability to the state; and
- Review audited financial statements to ensure proper presentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The agency must act upon any recommendations made by program site review.

Suggested Audit Procedures

- Obtain copy of program site review; and
- Determine if recommendations in the site review are being implemented.

Modified 5/02